

Summary of Slab & Deductions under Income Tax AY 2019-20

This chart of Deductions & Slab rates will help you to plan your Income & Investments for **Financial Year 2018-2019 / Assessment Year 2019-2020** and help you to minimize your Tax before March 2019. List of All popular deductions with latest limits applicable to coming **Income tax return** filling season i.e for AY 2019-20. Please invest before March 2019. I hope this will be helpful in your Tax planning.

A. INCOME TAX SLABS FOR FY 2018-19 / AY 2019-20

This chart of Deductions & Slab rates will help you to plan your Income & Investments and help you to minimize your Tax before March 2019. This summary will cover maximum issues related to coming return filling season.

INCOME TAX SLABS FOR FY 2018-19 / AY 2019-20

General Public (Below 60 Years of Age)		Senior Citizens (60 to 80 Years of Age)		Very Senior Citizens (More than 80 Years of Age)	
Income Tax Slab	Tax	Income Tax Slab	Tax	Income Tax Slab	Tax
Up to Rs. 2.5 Lakhs	Nil	Up to Rs. 3 Lakhs	Nil	Up to Rs. 5 Lakhs	Nil
Rs. 2.5 – 5 Lakhs	5%	Rs. 3 – 5 Lakhs	5%	Rs. 5 – 10 Lakhs	20%
Rs. 5 – 10 Lakhs	20%	Rs. 5 – 10 Lakhs	20%	Above Rs. 10 Lakhs	30%
Above Rs. 10 Lakhs	30%	Above Rs. 10 Lakhs	30%		

1. Education + Health Cess of 4%

2. Tax Rebate : Tax rebate maximum upto Rs. 2500 for Gross Total income upto Rs. 3,50,000

CONSIDERING REBATE , LETS RECALCULATE THE MAXIMUM TOTAL INCOME AT WHICH , THERE IS NO TAX

CATEGORY	<60	<80	>80
BASIC EXEMPTION LIMIT	₹ 2,50,000	₹ 3,00,000	₹ 5,00,000
RECALCULATING THE MAXIMUM TOTAL INCOME AT WHICH , THERE IS NO TAX			
TOTAL INCOME AFTER DEDUCTIONS	₹ 3,00,000	₹ 3,50,000	₹ 5,00,000
TAX ON TOTAL INCOME	₹ 2,500	₹ 2,500	₹ 0
LESS: REBATE 87A	-₹ 2,500	-₹ 2,500	₹ 0
ACTUAL TAX LIABILITY	₹ 0	₹ 0	₹ 0
SO, EFFECTIVE TAX EXEMPTION LIMIT AT WHICH , THERE IS NO TAX	₹ 3,00,000	₹ 3,50,000	₹ 5,00,000

B. POPULAR DEDUCTIONS UNDER INCOME TAX AVAILABLE TO ALL INDIVIDUALS

PLAN MAXIMUM DEDUCTIONS / INVESTMENTS BEFORE MARCH 2019 TO MINIMIZE YOUR TAXABLE INCOME & ALSO TAX		
24	24 => Home loan interest	₹ 2,00,000
80C	80C => LIC / PPF / KVP / EPF / SSY / NSC / HOME LOAN PRINCIPAL / SCHOOL FEES/ ELSS/STAMP DUTY	₹ 1,50,000
80CCD(1B)	80CCD(1B) => NPS	₹ 50,000
80DD	80DD => Exp of disabled dependent	75000/125000
80U	80U => own Physical Disability	75000/125000
80TTA	80TTA => Interest on Savings Account. Only available to Persons other than Senior citizen / Very senior citizen	₹ 10,000
80TTB	80TTB => Interest on Savings Account. and Interest on deposits with Post Offices, Banks, Co-operative bank. Only available to senior citizen & Very senior Citizen	₹ 50,000
80G	80G => Donation (Only if paid by cheque/ Bank Mode)	50% of Donation or 10% Total income ..W.E.IS HIGHER
80GG	80GG => deduction for the rent paid (Available to all Individuals except to those who gets HRA from Employment). Eligibility will be least amount of the following :-	
	1) Rent paid minus 10 percent the adjusted total income.	
	2) Rs 5,000 per month	
	3) 25 percent of the adjusted total income	
80D	80D => Mediciam For self, spouse and dependent children (Only if paid by cheque/ Bank Mode)	25000/50000
	Up to ₹ 25,000 [₹ 50,000 if specified person is a senior citizen or very senior citizen	
80D	80D => Mediciam For Parents (Only if paid by cheque/ Bank Mode)	25000/50000
	Upto Rs. 25,000 shall be allowed [Rs. 50,000 if parent is a Senior citizen / Very Senior Citizen	

Note for 80D	Within overall limit, deduction shall also be allowed up to ₹ 50,000 towards medical expenditure incurred on the health of specified person provided such person is a very senior citizen and no amount has been paid to effect or to keep in force an insurance on the health of such person.
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C. ALLOWANCES AND DEDUCTIONS ONLY ALLOWED TO SALARIED INDIVIDUALS

1	HRA EXEMPTION	A salaried individual having a rented accommodation can get the benefit of HRA (House Rent Allowance). However, if you aren't living in any rented accommodation and still continue to receive HRA, it will be taxable. HRA exemption available to Lower of following three
		a.Total HRA received from your employer
		b. Rent paid less 10 percent of (Basic salary +DA)
		c. 40 percent of salary (Basic+DA) for non-metros and 50 percent of salary (Basic+DA) for metros
2	STANDARD DEDUCTION	Rs. 40,000 Standard deduction for Assessee who has Salary/ Pension Income
		the standard deduction of Rs 40,000 replaces medical allowance of Rs 15,000 and transport allowance of Rs 1600 per month i.e. 19,200 per annum

LET'S FIND BREAK-EVEN INCOME , WHERE YOU HAVE NO TAX TO PAY

ASSUMPTION – THESE CALCULATIONS ARE DONE KEEPING IN MIND SALARIED PERSONS

FINANCIAL YEAR 2018-2019 / ASSESSMENT YEAR 2019-2020

		<60	<80	>80
	GROSS INCOME	7,25,000	8,40,000	9,90,000
DEDUCTIONS FROM INCOME	LESS			
	STANDARD DEDUCTION	40,000	40,000	40,000
	24	2,00,000	2,00,000	2,00,000
	80C	1,50,000	1,50,000	1,50,000
	80TTA	10,000		

	80TTB		50,000	50,000
	80D	25,000	50,000	50,000
NET INCOME WHERE THERE WONT BE ANY TAX	TOTAL INCOME	3,00,000	3,50,000	5,00,000
	TAX ON ABOVE INCOME	2,500	2,500	–
	REBATE AS PER 87A	-2,500	-2,500	–
	ACTUAL TAX LIABILITY	0	0	0

Source courtesy: TaxGuru